

CONFESSION IN DIER \$5,000,000 FAILURE

To-Night's Weather—FAIR; WARMER.

To-Morrow's Weather—PROBABLY SHOWERS.

THE EVENING WORLD
FINAL EXTRA

The

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Harding Summons Senators in Plan to End Rail Strike

TAXES EATING UP THRIFT OF THE COUNTRY, SAYS BORAH, WITH HIGHER TAXES AHEAD

Public Fooled by Sham Economies in Washington—A Crisis in Public Extravagance and Oppressive Taxation—Industry Discouraged and Labor Discharged—Taxpayers Should Organize to Stop Drain on Treasury.

By U. S. Senator William E. Borah.
(Written Exclusively for The Evening World.)

The beginning of each fiscal year is the open season for party hypocrisy in the matter of Governmental expenditures. In this mid-summer season each year the party which happens to be in power makes a report through the heads of the appropriate committees of the appropriations and expenditures. The country is thereby advised how expenditures have been cut and taxes are being lowered. It has become so ludicrous a performance that, like the Roman oracles, they do not look at one another while the deliverance is being made.

This custom has prevailed regardless of which party is in power for many years. It is thought desirable that at the end of each year the voters be advised how the party in power has practiced economy and how great have been the savings.

Notwithstanding that these reports universally show a curtailing of Governmental expenditures and reduction of taxes, if you care to look over a period of the last twenty-five years, in peace or in war, under a Republican or Democratic Administration, the expenditures of the Government have increased at a startling rate and taxes have become higher instead of lower.

WHILE CUTS ARE MADE EACH YEAR SHOWS INCREASE

While the voter is advised each year that great cuts have been made, yet, nevertheless, when one year is taken with another there is a constant increase in expenditures and in taxes.

That condition has continued until we have reached a crisis in the matter of public extravagance and oppressive taxation. Regardless of the party in power, the shameless waste of public money grows apace. Economy in public expenditures is no longer anything more than a superstition.

The annual report has been made this year. It discloses what appears to be a substantial step in the direction of economy and the curtailing of Governmental expenditures. There seems to be a difference of view as to the exact figures, but let us accept the most promising figures. Nothing is said in this report about the fact that there is now pending in the Congress—already passed by one of the branches of the Congress—bills which would not only offset in the way of expenditures the amount saved, but would offset it not only thousands but millions of times.

The amount which we have curtailed expenditures this year would be a mere bagatelle compared with the increase of Governmental obligations and burdens should these measures be passed. They are on the programme. They are supposed to be ready for passage, and both the political parties represented in Congress are trampling upon each other to get an opportunity to vote for them.

If these measures are passed, as it is promised they shall be, they would make the professed savings of this year of no consequence whatever. This is a way in which, while a showing is made at a particular period of the year, yet when you take one year with another, the obligations of the Government continue to increase and the taxes continue to grow heavier.

CLAIM OF ECONOMY A SHAM AND A FRAUD.

In 1916, the year before we entered the war, but the year in which we started the large naval building programme, our budget was about \$1,115,000,194. Four years after the war our budget is about \$3,500,000,000, with an estimated deficit of from \$500,000,000 to \$750,000,000. It is now seriously put forth to the country that we are reducing expenditures, although we know a part of the programme now arranged for is to add to this budget of about \$4,000,000,000 a \$4,000,000,000 indebtedness of a permanent nature. Such things make the claim of economy a sham and a fraud. And I ven-



WILLIAM E. BORAH
U. S. SENATOR FROM IOWA

WOULD WELCOME DEATH AT HANDS OF MAGISTRATE

This Is Thug's Answer to Oberwager's Regret That One of Band Was Not Shot.

BAIL FOR TWO \$120,000.

Held for \$5,000 Laux Hold-Up on Street—Auto They Flew In Stolen.

A total of \$60,000 each was the bail set by Magistrate Oberwager in Essex Market Court to-day for two men arrested in Long Island City following a hold-up at Columbia and Broomfield Streets yesterday. They were held for the Grand Jury. The defendants gave the names of Jacob Wasserman, twenty-seven, an electrician, of No. 440 East Houston Street, and Harry Walker, twenty-two, of No. 194 Ross Street, Brooklyn.

When the men were arraigned by Detective Whalen of the Clinton Street Station, Magistrate Oberwager asked if "guns" were used in the hold-up and later in the capture of the men. He was informed that the hold-up of Joseph Laux of No. 391 Sterling Street, Brooklyn, from whom they are alleged to have taken more than \$5,000, was done at the point of a revolver.

"It's too bad one of the revolvers didn't go off and shoot one of you fellows," Magistrate Oberwager remarked.

"Your Honor," said Wasserman, "I wish you had a gun now; I'd give you the privilege of blowing my brains out."

The detective told Magistrate Oberwager that the automobile in which the men were riding had been stolen from in front of No. 250 Greene Street on July 18 from Joseph Rosen of No. 894 Irving Street, the Bronx. The license plates on the car, however, were different, and since the police were unable to find a record of such numbers, they alleged that the plates were counterfeit.

7 DEAD; 40 HURT IN TRAIN WRECK

Passenger Trains Collide Head-On; Engineer Among the Dead.

LOGAN, Mo., July 22.—Seven persons were killed and at least forty others injured in a head-on collision between the "Meteor" and the "Texas Special," two fast trains on the Frisco Railroad here, at 4 o'clock this morning.

The known dead are C. H. Ring, engineer of the "Meteor," and his fireman, George Nadel, and five unidentified passengers on the "Texas Special," a man, woman and three children, who were in one of the coaches.

Both engines were telescoped and several coaches left the tracks. Workmen are still seeking additional dead under the wreckage of one of the coaches.

Both engines were demolished and baggage and mail cars of one train wrecked. Two steel coaches on the other and the baggage car were telescoped.

Striking shovemen from Monett, Mo., rushed to help in rescue work and are digging in the debris in search of other dead and injured.

PRESIDENT CALLS SENATORS DURING HOOPER CONFERENCE IN PLAN TO END RAIL STRIKE

Cummins, Kellogg and Watson Report on Meeting With Executives.

SITUATION OUTLINED.

Labor Board Head Tells Harding of Negotiations Held in Chicago.

WASHINGTON, July 22.—Shortly after noon Secretary of War Weeks was summoned to the White House for a conference with President Harding, Chairman Ben W. Hooper of the Railroad Board and Senators Cummins, Kellogg and Watson.

WASHINGTON, July 22 (Associated Press).—Chairman Ben W. Hooper of the United States Railroad Labor Board, arriving here to-day in response to a summons from the White House, went into conference with President Harding prepared to give the Executive a complete survey of the railroad strike situation and the recent negotiations conducted with a view to bringing about a settlement.

The Labor Board Chairman went to the White House soon after arriving here from Chicago and the President's list of engagements for the day had been arranged so as to allow an immediate conference of as great a length as the conferees might desire.

After the conference had been in progress nearly an hour, Chairman Cummins of the Senate Interstate Commerce Committee, who with other committee members conferred with Eastern railroad executives on the strike situation Thursday night, was called to the White House.

Senators Watson of Indiana and Kellogg of Minnesota, the other members of the committee who conferred with the railroad executives, also were summoned to the White House.

Daniel Willard, President of the Baltimore and Ohio, conferred to-day with members of the Senate Interstate Commerce Committee and advised them of the move for a separate settlement of the strike among the road's employees. A conference is to be held Tuesday at Baltimore. Senators were advised, upon call to a circular issued yesterday by Mr. Willard to the shop crafts employees of that road. The circular stated that the employees owed it to the public to make an effort to settle their difficulties between themselves if possible in friendly conference.

Several of the questions involved in the Baltimore and Ohio conference were whether the men would agree to a separate settlement, whether the union leaders would approve such a settlement, and whether the men would accept a settlement which might be made by their union leaders.

Senators Cummins, Watson and Kellogg left the conference when President Harding prepared to go to lunch, but it was said that Chairman Hooper would continue his discussion of the situation with the President at the White House luncheon table.

No statement would be made by the Senatorial participants, except that they had given the views of the strike situation which they developed in conference with the railroad executives.

WASHINGTON, July 22.—Chairman Ben W. Hooper arrived to confer with Harding a feeling of optimism was prevalent among Administration officials. Cabinet members believed that a settlement could be effected in the near future. This belief was based on the willingness of an increasing number of roads to take back the strikers and the inference of E. F. Grubbs, President of the Maintenance of Way employees, that the strike order of his union would not be exercised.

In some quarters it was feared that the 240,000 men estimated to have been hired by the railroads to fill strikers vacancies constitute a barrier to a settlement. These men were

POLICEMAN IN DUEL AFTER BEING SHOT BY FOUR BURGLARS



ARTHUR LOEWE

WOMAN LEARNING TO DRIVE AUTO IS MORTALLY HURT

Mrs. Josephine Main of Brooklyn Pinned Beneath Car in Prospect Park.

Mrs. Josephine Main of No. 210 Webster Avenue, Brooklyn, wife of Roy Main of that address, is in the Methodist Hospital in a dying condition, as a result of being pinned under the automobile she was learning to drive in Prospect Park. A neighbor is also in the hospital suffering from shock and lacerations.

Mr. and Mrs. Main and the friend were going towards Coney Island on the West Driveway when another car ran into them, according to bystanders at the Ninth Street entrance. The car was overturned. Mrs. Main went under it and her friend was thrown to the roadway. Her husband held to the steering wheel and then jumped to safety.

The police were told that Mr. Main was teaching his wife to drive.

SPEED OF OLYMPIC IS WORLD'S RECORD FOR OCEAN LINER

Makes 27.81 Knots for Seyeral Hours, Beating Mauretania.

SOUTHAMPTON, July 22 (Associated Press).—The White Star line Olympic, on its voyage from New York to Cherbourg, maintained for several hours a speed of 27.81 knots, which is a world's record for a passenger liner.

The best previous record was that made by the Mauretania on her voyage from New York to Cherbourg last April, when for several hours during the crossing she maintained a speed of 27.5 knots.

BRAVE POLICEMAN, WOUNDED, FIGHTS FOUR ARMED THUGS

Brooklyn Patrolman, War Aviator, Faces Pistols in Dark Yard.

THIRTY SHOTS FIRED.

Wrests Revolver From One and Wounds Three as They Escape.

Patrolman Arthur Loewe, twenty-eight years old, former army aviator and ex-plumber, for three years a member of the force and now attached to the Fifth Avenue Station, Brooklyn, fought single-handed at 2 A. M. to-day four desperate young thugs in a pistol duel in back yards and over fences between Fourth and Fifth Avenues and Seventh and Eighth Streets, Brooklyn.

Wounded four times, he still gave the robbers battle, advancing on two of them with his empty revolver and taking a pistol from one of them when they beat him down with the butts of their weapons and made their escape over a fence.

His own revolver had spoken fairly well for him in the fray, for at least two of his would-be-murderers left trails of blood in their wake as they ran, and it is believed a third member of the gang was wounded. Loewe, beaten down, shot through the abdomen and bleeding from three other wounds, crawled from a back yard through a hallway at No. 255 Eighth Street, reached the sidewalk and collapsed as he attempted to blow his whistle for help.

Loewe was rushed to the Methodist Hospital, where two bullets were removed from his abdomen, leaving two in his arm, to be removed later today. Surgeons expressed the belief that the brave young cop would survive his wounds.

The burglars had planned an attack on the store and warehouse of H. J. Heberlein, No. 250 Seventh Street, the rear yard of which abuts on that of No. 251 Eighth Street, and from the latter the gang started their operations. All of thirty shots were fired between the burglar and the plucky cop, rousing the neighborhood but bringing few into range of the battle. When the reserves from the Fifth Avenue Station reached the scene the battle was over, the robbers had escaped and Loewe was in the hospital.

Mrs. Marie Kennedy was sleeping in the ground floor apartment of the Eighth Street building with her four children when the six-months-old baby, Eleanor, cried and aroused her. Going to the crib near the window, she saw two men in the rear yard. She had frightened away two men earlier in the week. She ran upstairs and awoke her brother, Charles Boyle, and her brother-in-law, Charles McCormick.

While they were dressing she went to the street carrying the baby in her arms and called Policeman Loewe. When he reached the rear yard back of the adjoining building, Boyle and McCormick were down.

(Continued on Fourth Page.)

MANDATES IN NEAR EAST APPROVED

Palestine and Syrian Plan in Effect When France and Italy Agree.

LONDON, July 22 (Associated Press).—The Palestine and Syrian mandates were approved this afternoon by the Council of the League of Nations, with the understanding that they take effect as soon as France and Italy reach an agreement on certain minor details now under discussion in Paris.

The revised form of Article XIV, which presented the chief difficulty, was accepted by all parties.

DIER MANAGER CONFESSES ALL DETAILS OF \$5,000,000 FAILURE TO PROSECUTOR

AMMONIA ROUTS TENANTS IN TWO WEST SIDE BLOCKS

Cylinder Head in Ice Cream Plant Blows Off; Fumes Drive Folks From Bed.

Ammonia fumes which filled the immediate neighborhood when a cylinder head at the plant of the Cheever Ice Cream Company, No. 617 Eleventh Avenue, blew off early this morning routed from their beds hundreds of tenants in 16th and 17th Streets, between Tenth and Eleventh Avenues.

The escaping ammonia was shut off after an hour's efforts by Lieut. Thomas Kilbridge and other members of the Fire Department Remedy Squad.

When the cylinder head blew off, several men were at work making ice cream on the top floor of the four-story structure and three engineers were on the lower floors. The engineers made attempts to shut off the ammonia, but the heavy fumes forced them and the other employees to leave the place. Meanwhile an alarm had been sent to Fire Headquarters and in a few minutes the Rescue Squad arrived.

By that time residents of nearby houses were already fleeing, the heavy ammonia fumes having penetrated through open windows. Many scantily clad were driven as far as four blocks. Patrolmen were sent from the West 4th Street Station to protect the vacated houses.

Lieut. Kilbridge, taking two men at a time with him, made several attempts to reach the valves controlling the ammonia supply. Donning gas masks, the men descended to the basement, where the cylinder head had blown off, but the fumes were so heavy they burned the backs of the firemen's heads where the masks did not cover them. The fumes also penetrated through their clothing and burned their skins.

They were finally forced to don wading trunks of rubber, which protected them below the waist. Thus clad, they again attempted to reach the valves, and succeeded first in shutting off the electric power to lessen danger of ignition of the fumes, and finally in shutting off the main valves.

The broken cylinder head was temporarily repaired, and with the use of electric fans the plant was cleared of the fumes.

Where Business Proposals Abundant in Greatest Number

There is reason for everything and the reason why The World prints more "Business Opportunities" than all the other New York morning newspapers combined is that advertisers know The World ads. produce the best results.

"Business Opportunities" Last Week:
THE WORLD..... 2,357 Ads.
The Times..... 647 Ads.
The American..... 217 Ads.
The Herald..... 119 Ads.
The Tribune..... 16 Ads.

WORLD over all combined 1,388 Ads.

64% of all the "BUSINESS OPPORTUNITIES" Last Week Were Printed in The World.

Adam G. Recklein, one of Four Indicted in Bankruptcy of Stock Broker Turns States' Evidence.

Had Intimate Knowledge of Details of Management and Policy of Defunct Firm—Handled Complaints.

Acting District Attorney Frederick E. Decora announced at the Criminal Courts Building to-day that Adam G. Recklein, one of four men indicted in connection with the \$5,000,000 failure of E. D. Dier & Co., brokers, has made a complete confession to Assistant District Attorney Schneider and will be a witness for the State. Mr. Recklein's statement, Mr. Decora said, deals not only with his own activities in the firm but with the activities of others under indictment and some who have not been indicted. George P. McLaughlin, an accountant in the employ of the District Attorney, is checking up Mr. Recklein's statements in the books and other records of E. D. Dier & Co.

There were possibly only two other men in the entire Dier organization who had fuller knowledge of the details of management than Recklein. These were Fred Andrews and H. F. Shrimpton. The latter has been indicted but not yet located by the District Attorney's office or the police.

Recklein was at one time the manager of the Pittsburgh office of the firm and for many months acted in an executive capacity in the New York office.

It has been testified at bankruptcy hearings that among other duties he had charge of handling complaints of customers who had been unable to get securities they owned delivered to them.

Employees of the defunct firm always understood that Recklein played an important part in shaping the policy of E. D. Dier & Co., and have asserted that he was one of the few who could clearly state why there was such a startling discrepancy between liabilities and assets.

Although the liabilities total approximately \$5,000,000 assets of the bankrupt firm, not including the promised contributions the receiver has obtained from Charles A. Stoneham, Ross P. Robertson and others, are practically negligible.

BATH KILLS TWO WHEN ONE TAKES HOLD OF LIVE WIRE

Defective Electric Lamp, Water and Pipe Formed Fatal Circuit.

FRANKFORT, Germany, July 22.—Electrocution snuffed out the lives of a young married couple yesterday in an unusual accident. Both bodies were found in a bathroom. Investigation revealed that the zinc bathtub, a waterpipe and a portable metal lampstand figured in completing the electrical circuit that caused their deaths. The wife had grasped the lamp which was defective, with her wet hands as she was about to leave the tub and was immediately electrocuted. The husband was killed when he took hold of the lamp in trying to assist his wife.

WORLD FLAYER RESUMES TRIP IN INDIA

LONDON, July 22.—Major W. T. Blake, British aviator, attempting to fly around the world, resumed his flight to-day from Karachi, British India, where he landed last Tuesday.

(Continued on Fourth Page.)

(Continued on Second Page.)